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Philippines: Reports of extortion and kidnapping of civilians by the New People's Army (NPA) or other armed groups; state response to extortion and kidnapping; extent of recruitment efforts by the NPA (2003 - 2006)
Research Directorate, Immigration and Refugee Board of Canada, Ottawa

Extortion and kidnapping efforts by the New People's Army

Reports of extortion by the New People's Army (NPA), the military arm of the Communist Party, were numerous among the sources consulted by the Research Directorate for the period 2004 to 2006 (AFP 9 May 2006; *Manila Standard* 23 Nov. 2005; *The Manila Times* 26 Feb. 2006; Reuters 27 Mar. 2004; Sun.Star 27 June 2006). *The Age* newspaper reports that the NPA has been "transformed into an enterprise more concerned with lucrative extortion rackets ... than in pressing for social change and a better life for the poor" (8 Feb. 2003). The Philippine government considers the NPA to be a group of extortionists thwarting rural development (Reuters 27 Mar. 2004; see also BBC 10 Feb. 2004) or "bandits" (JFKSWCS 1 Sept. 2004). The United States (US) government, on the other hand, has labelled the group a "terrorist organization" (Reuters 27 Mar. 2004). Rebels of the NPA, however, argue that their designation as a terrorist group has hampered their ability to obtain foreign funds and has forced them to rely more heavily on extortion activities in the Philippines (US n.d.). According to Rodolfo Salas, a former leader in the Philippine communist movement, the NPA is being transformed into a terrorist group and a "criminal syndicate" (*The Age* 8 Feb. 2003).

According to the British Broadcasting Corporation (BBC), the main activity of the NPA is to collect operational funds through "revolutionary taxes" (BBC 10 Feb. 2004). These taxes are reportedly collected from large and small businesses and local officials or politicians (AFP 22 June 2006; Sun.Star 27 June 2006; *Manila Standard* 23 Nov. 2005; see also MIPT 31 May 2006). While some pay the taxes without question, the majority of people are reportedly reluctant to do so (Sun.Star 27 June 2006). In February 2004, the NPA began to demand a 20 percent share of the *barangay* (village) Internal Revenue Allotment (IRA) in Masbate (*The Philippine Star* 25 Feb. 2004). The Philippine National Police (PNP) reported that the son of one *barangay* leader in Masbate was killed after both the leader and his son rejected the NPA demands for money (ibid.). Two mayors in Agusan del Sur were said to have received death threats after refusing to pay "revolutionary taxes" to the NPA (Sun.Star 27 June 2006). However, according to an article in *The Manila Times*, records from the Philippine military reportedly show that a small percentage of *barangay* leaders in Bicol are sympathizers of the rebel movement and, according to one villager, some

barangay leaders collect the taxes on behalf of the NPA (26 Feb. 2006).

During elections, politicians have been targeted for payment of "permit to campaign" fees in areas controlled by the NPA (Reuters 27 Mar. 2004; Rosales 17 Jan. 2004; *The Philippine Star* 25 Feb. 2004; AFP 11 Jan. 2004). In 2004, congressional candidates were required to pay 500,000 pesos [approximately CAD 11,373 (Xe.com 16 Oct. 2006a)] in order to have access to NPA-controlled areas, while the fee for mayoral candidates was 50,000 pesos (AFP 11 Jan. 2004). Agence France-Presse (AFP) reported that candidates who did not pay the fee had been "ambushed" by NPA rebels (*ibid.*). One member of Congress who had refused to pay the campaign fee was attacked along with his bodyguards by members of the NPA in the province of Sorsogon (*ibid.*).

A 2004 report by Loretta Ann Rosales, the Chair of the House Committee on Civil, Political and Human Rights in the Philippines, explains that campaign fees are also extended to businesses, which are required by the NPA to pay for "permits to construct" or "permits to operate" (Rosales 17 Jan. 2004). Businesses such as telecommunications and transportation firms are frequent targets of the NPA (*Sun.Star* 27 June 2006; AFP 9 May 2006). In 2005, 30 telecommunications towers owned by Globe Telecom Inc. were sabotaged by the NPA in an effort to force the company to pay "revolutionary taxes" (*ibid.*; see also *ibid.* 14 Nov. 2005). During one week in 2004, three buses in the city of Canlaon in Negros Occidental were set on fire reportedly by the NPA (Rosales 17 Jan. 2004). According to the National Memorial Institute for the Prevention of Terrorism (MIPT), while both foreign and local businesses have been targeted by the NPA, the rebels aim to push all foreign investors out of the Philippines, largely by extorting money from foreign businesses through intimidation (MIPT 31 May 2006).

The NPA guerrillas also demand money from villagers who say they fear for their safety if they do not pay the taxes (*The Manila Times* 26 Feb. 2006; *Sun.Star* 27 June 2006). In the villages in Bicol, the *piso-piso* tax system imposed by the NPA forces locals to pay one peso daily for each family member (*The Manila Times* 26 Feb. 2006). In 2005, the NPA demanded a percentage of annual earnings from business owners and farmers in the province of Isabela in order to fund festivities to mark the 37th anniversary of the Communist Party (*Manila Standard* 23 Nov. 2005). According to the Overseas Security Advisory Council (OSAC), a US government inter-departmental information service, the NPA is most active in the rural areas, particularly in Luzon, Visayas and parts of Mindanao, but also operates active cells in large urban areas such as Manila (US n.d.). According to Philippine military estimates cited in a Reuters article, the NPA collects 300 million pesos [approximately CAD 6.8 million (XE.com 16 Oct. 2006b)] a year (Reuters 27 Mar. 2004).

In early 2006, AFP reported that the kidnapping of civilians was a relatively new tactic of the NPA (6 Feb. 2006). However, three years earlier, *The Age* had reported on the kidnapping of a Japanese businessman by the NPA (8 Feb. 2003). *The Manila Times* indicated that four people, including three civilians, had been abducted by the NPA in separate incidents in Mindanao in February 2006 (1 Feb. 2006). Later that same month, AFP reported that a town mayor in Mindanao had been kidnapped by NPA rebels and used as a shield during a raid on a police station (6 Feb. 2006). In the latter incident, NPA rebels seized assault rifles from the station and said they later released the mayor, a claim the Philippine military could not confirm (AFP 6 Feb. 2006). Other kidnappings reported by AFP included the abduction of three people in the south, for whom the NPA demanded weapons as ransom, and the kidnapping of a high-ranking military official in July

2005 who was released in early 2006 (ibid.).

Reports of extortion and kidnapping of civilians by other armed groups

Reports of extortion and kidnapping of civilians by other armed groups other than the NPA were scarce among the sources consulted by the Research Directorate. The militant Abu Sayyaf Group (ASG) was linked to the bombing of a grocery shop on the island of Jolo in 2006 in which nine people were killed and which, according to local police, was likely in retaliation for the failure of the owners to pay extortion money (*Global Insight Daily Analysis* 28 Mar. 2006). Global Insight Daily reported that the ASG may be resorting to NPA-like extortion in order to replenish its funds (ibid.). *Special Warfare*, the news bulletin of the John F. Kennedy Special Warfare Center and School (JFKSWCS), stated that the organization has "become an extortion and kidnap-for-ransom gang" (1 Sept. 2004). The JFKSWCS also reported that ASG has been known to kidnap foreigners for ransom (1 Sept. 2004; see also *BusinessWorld* 4 Jan. 2005). In 2004, seventeen ASG members were sentenced to death for their roles in the kidnapping of hospital workers in Basilan three years earlier, the first mass conviction of its kind in the history of the ASG (*The Philippine Star* 14 Aug. 2004).

In 2004, Philippine President Gloria Arroyo announced that kidnappings were at a record low throughout the country as a result of an intensified police effort (AFP 7 June 2004). In 2006, however, the *Philippine Daily Inquirer* reported that the risk analysis group Pacific Strategies and Assessments (PSA) had declared the Philippines a "kidnapping hotspot" (17 Mar. 2006). According to security analysts with PSA, the total number of kidnappings each year is likely three times the official figure and they estimate that every three days a person is kidnapped in the Philippines (*Philippine Daily Inquirer* 17 Mar. 2006). In 2003, kidnapping gangs targeting Chinese-Filipino businessmen and their families in Manila and surrounding suburbs became the focus of a government crackdown against kidnapping (*BusinessWorld* 4 Jan. 2005). These gangs included the Pentagon gang, a gang which has abducted wealthy businessmen and foreigners (DPA 28 June 2004).

State response to extortion and kidnapping

The *Philippine Daily Inquirer*, citing PSA's 2006 report, stated that corruption within the police forces and weak enforcement of the law were contributing to the problem of kidnapping in the Philippines (17 Mar. 2006). In the article, PSA explained that the police were "'both part of the problem and solution'," (*Philippine Daily Inquirer* 17 Mar. 2006). PSA also alleged that officers of the PNP have continued to collude with kidnapping gangs in Manila despite police force efforts to crack down on kidnappers (ibid.). The PNP, however, argued that it had had some success in curbing the number of kidnappings in recent years (ibid.). AFP reported that an anti-kidnapping task force set up in 2003 had, according to President Arroyo, killed or arrested a number of kidnappers (AFP 7 June 2004). In late 2003, the president reinstated the death penalty for kidnapping offences after a four-year moratorium, reportedly amid public pressure and in an attempt to discourage kidnappers (ibid.). In 2006, however, media reports indicated that both the House of Representatives and the Senate had approved a bill to abolish capital punishment (*BusinessWorld* 7 June 2006; *The Manila Times* 8 June 2006).

Following the shooting attack on a Philippine legislator and his bodyguards by rebels of the NPA in early 2004, President Arroyo reportedly ordered the police

and military to put an end to the extortion activities of the NPA (AFP 11 Jan. 2004). No reports of the state's response to extortion between 2004 and 2005, however, could be found among the sources consulted by the Research Directorate. In 2006, media reports indicated that the Philippine military had agreed to provide protection to businesses who had been threatened with extortion by the NPA in Mindanao (*Manila Bulletin* 9 June 2006) as well as Davao, Conipostela Valley, Bukidnon and Caraga in Bicol (*The Manila Times* 26 Feb. 2006). While the military did not elaborate on what this protection would entail, it urged businesses to report extortion demands from the NPA (*Manila Bulletin* 9 June 2006). In June 2006, a top government official reportedly announced that, as part of the effort to bring down the NPA, communities that harbour NPA rebels and businesses that pay "revolutionary taxes" will face criminal charges (AFP 22 June 2006). According to the official, this policy would not exclude businesses that submitted to NPA extortion as a result of threats to their security (AFP 22 June 2006). The government also announced that an additional 1 billion pesos [Approximately CAD 22.7 million (XE.com 16 Oct. 2006c)] would be added to the military budget to combat the NPA insurgency (AFP 22 June 2006).

A House Bill introduced in 2005 by Loretta Ann Rosales and other Congress members of the Akbayan party sought to criminalize all solicitations of money "or other valuable consideration" from election candidates in exchange for "permits to campaign" (Philippines 16 May 2005). The Bill was drafted in response to reports that the NPA and its affiliated organizations demanded fees from election candidates who wished to campaign in rebel-controlled areas (ibid.). Information on the status of the Bill as of 10 August 2006 could not be found among the sources consulted by the Research Directorate.

Recruitment efforts by the NPA

Information on recruitment efforts by the NPA was scarce among the sources consulted by the Research Directorate. An article in the Philippine newspaper *Taliba* stated that, according to the Philippine Armed Forces, NPA recruitment peaked in 2005 but dropped off in the first quarter of 2006 as a result of the military's operations against the rebel group (*Taliba* 20 Apr. 2006). The United Nations Children's Fund (UNICEF), as cited by *The Manila Times*, estimated that between 20 and 25 percent of new recruits in the NPA were under the age of 18 while according to the Philippine military, between 13 and 18 percent of NPA rebels were children (2 June 2006). In January 2003, a news article reported that the NPA denied that it was recruiting children en masse, stating that children could willingly join the group but were restricted to non-combat activities such as running errands (*Philippine Daily Inquirer* 30 Oct. 2005). Government sources reportedly stated that, while some children might enlist in the NPA at their own will, there were indications that some minors were abducted or forced to join the group (ibid.). In a 2004 statement carried by *BusinessWorld*, the Communist Party announced its plans to increase recruitment into its armed wing by the "thousands" in anticipation of future attacks against the Philippine military (30 Mar. 2004). Estimates of the number of NPA members range from 7,400 to 9,000 (BBC 10 Feb. 2004; US n.d.; AFP 6 Feb. 2006; ibid. 22 June 2006). However, the MIPT Web site indicated a 16,000-strong NPA on 31 May 2006.

This Response was prepared after researching publicly accessible information currently available to the Research Directorate within time constraints. This Response is not, and does not purport to be, conclusive as to the merit of any particular claim for refugee protection. Please find below the list of additional sources consulted in researching this Information Request.

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The Embassy of the Republic of the Philippines in Ottawa did not provide information within the time constraints of this Response.

Internet sites, including: Amnesty International, Human Rights Watch, International Crisis Group, *Time Asia*.

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